ROCKBUSTER STEALTH

2020 BUSINESS STRATEGY

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AGENDA

- Introduction
- Key Questions
- Films Overview
- Films and Revenue
- Customer Base
- Key Insights
- Recommendations
- Thank you

INTRODUCTION AND OBJECTIVE

Rockbuster Stealth LLC is a movie rental company that is used to have stores around the world. Facing stiff competition from streaming services such as Netflix and Amazon Prime, the Rockbuster Stealth management team is planning to use its existing movie licenses to launch an online video rental service in order to stay competitive.

Objective: To help Rockbuster Stealth business intelligence department with the launch strategy for the new online video service, by providing various needed insights.

KEY QUESTIONS

Which movies contributed the most/least to revenue gain?

What was the average rental duration for all videos?

Which countries are Rockbuster customers based in?

Where are customers with a high lifetime value based?

Do sales figures vary between geographic regions?

FILMS OVERVIEW

Key facts

Facts	Figures
Number of films	1000
Number of customers	599
Total Revenue	$61,312.04
Number of categories	16
Release year	2006
Language	English
Most common Film rating	PG-13
Most common film category	Sports

Key Quantitative facts

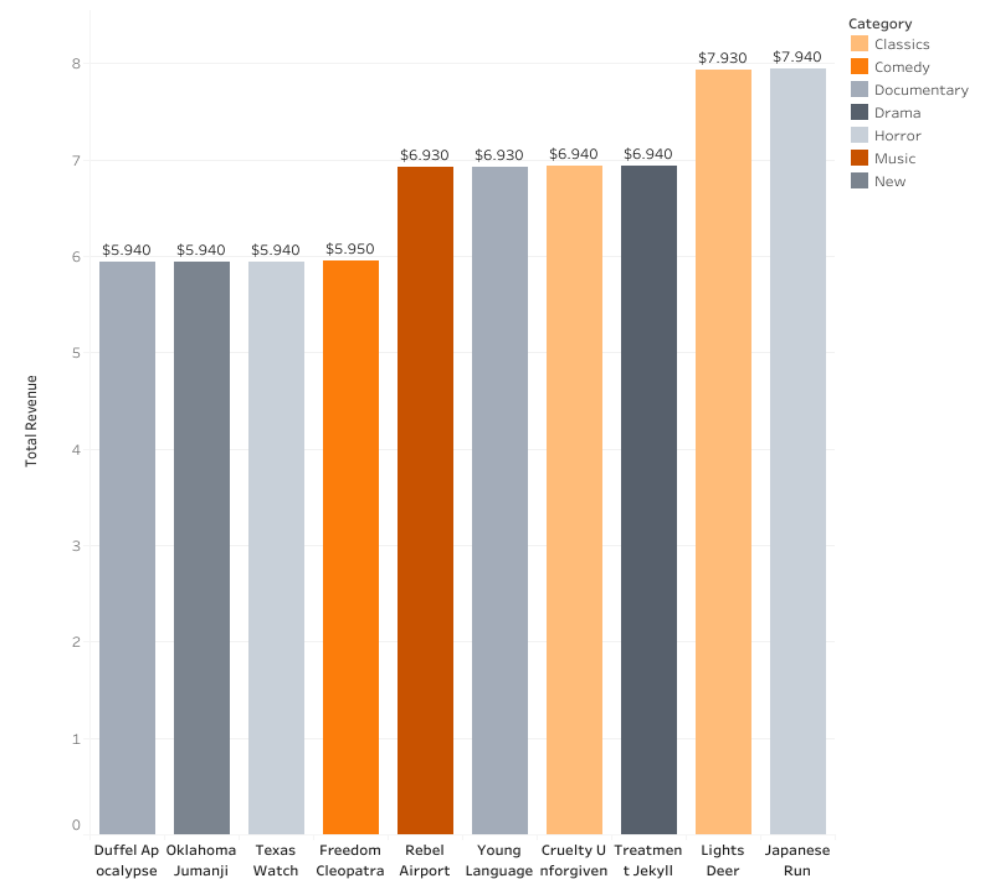| Facts	Minimum	Maximum	Average
Rental duration	3	7	4.985
Rental Rate	0.99	4.99	2.98
Replacement Cost	9.99	29.99	19.984
Length	46	185	115.272

FILMS
AND
REVENUE

TOP AND BOTTOM 10 MOVIES BY REVENUE

Top 10 movies by Revenue
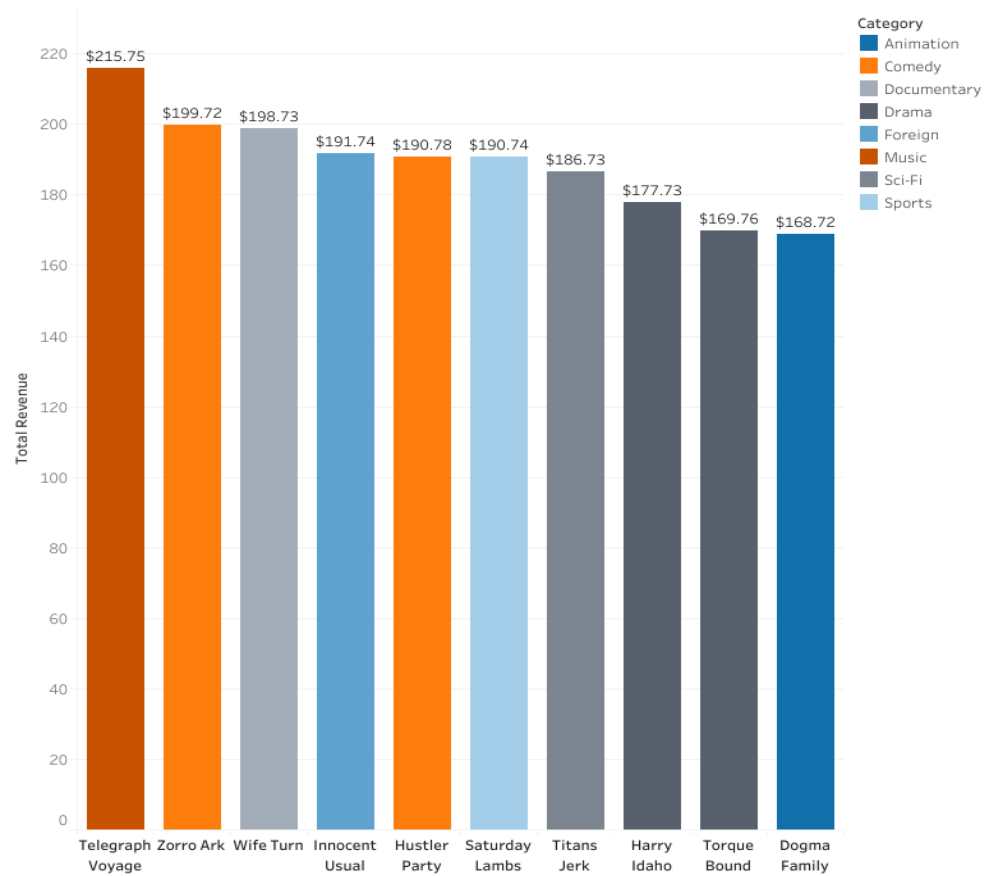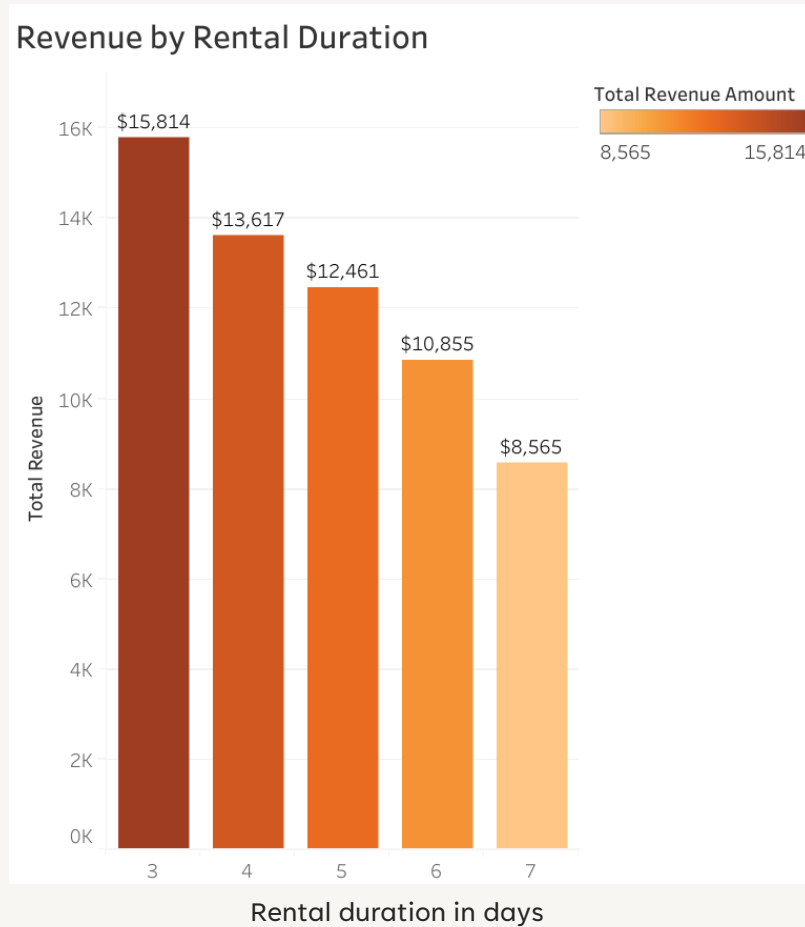
The winner belongs to Music category

Two of the top ten movies belong to **Comedy** category.

Two each of the bottom ten movies belong to **Classics and Documentary** category.

REVENUE BY
RENTAL DURATION AND RENTAL RATE

Revenue by Rental Duration

Total Revenue Amount
8,565   15,814

- $15,814 (3 days)
- $13,617 (4 days)
- $12,461 (5 days)
- $10,855 (6 days)
- $8,565 (7 days)

Total Revenue

Rental duration in days

Revenue by Rental Rate

Total Revenue Amount
11,917   29,944

- $29,944 (4.99)
- $19,451 (2.99)
- $11,917 (0.99)

Total Revenue Amount

Rental rate in dollars

Promote films with high rental rate by providing rewards and discounts to customers.

Higher revenue seems to have been from films of shorter rental duration, not necessarily from the longer duration rentals.
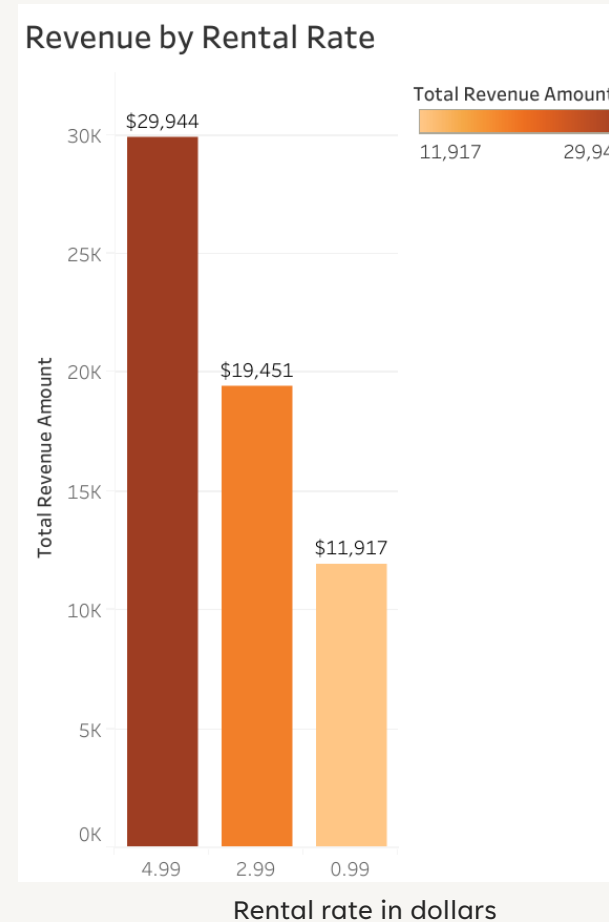
Higher revenue seems to have been from films with higher rental rate.

STATISTICAL ANALYSIS

TOTAL RENTAL REVENUE VS RENTAL RATE

Revenue by Rental Rate

Correlation Coefficient: 0.6116

R-Squared: 0.374073

p-value (significance): < 0.0001
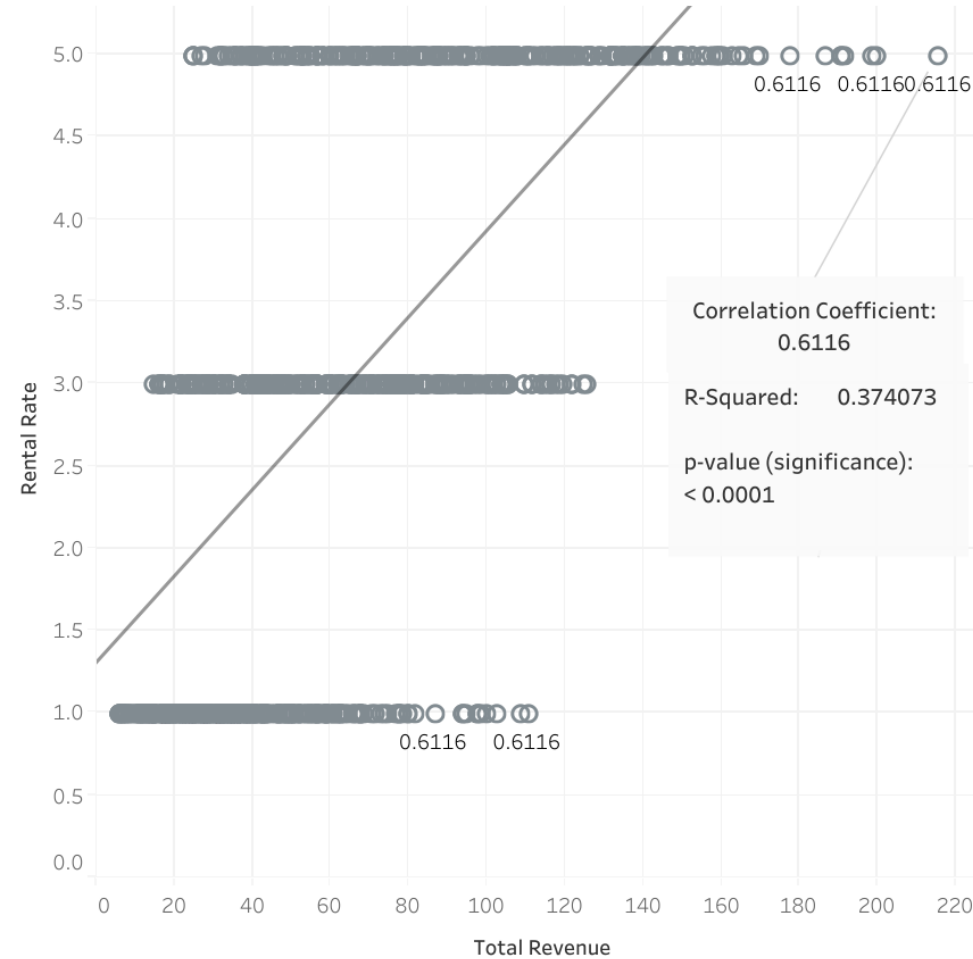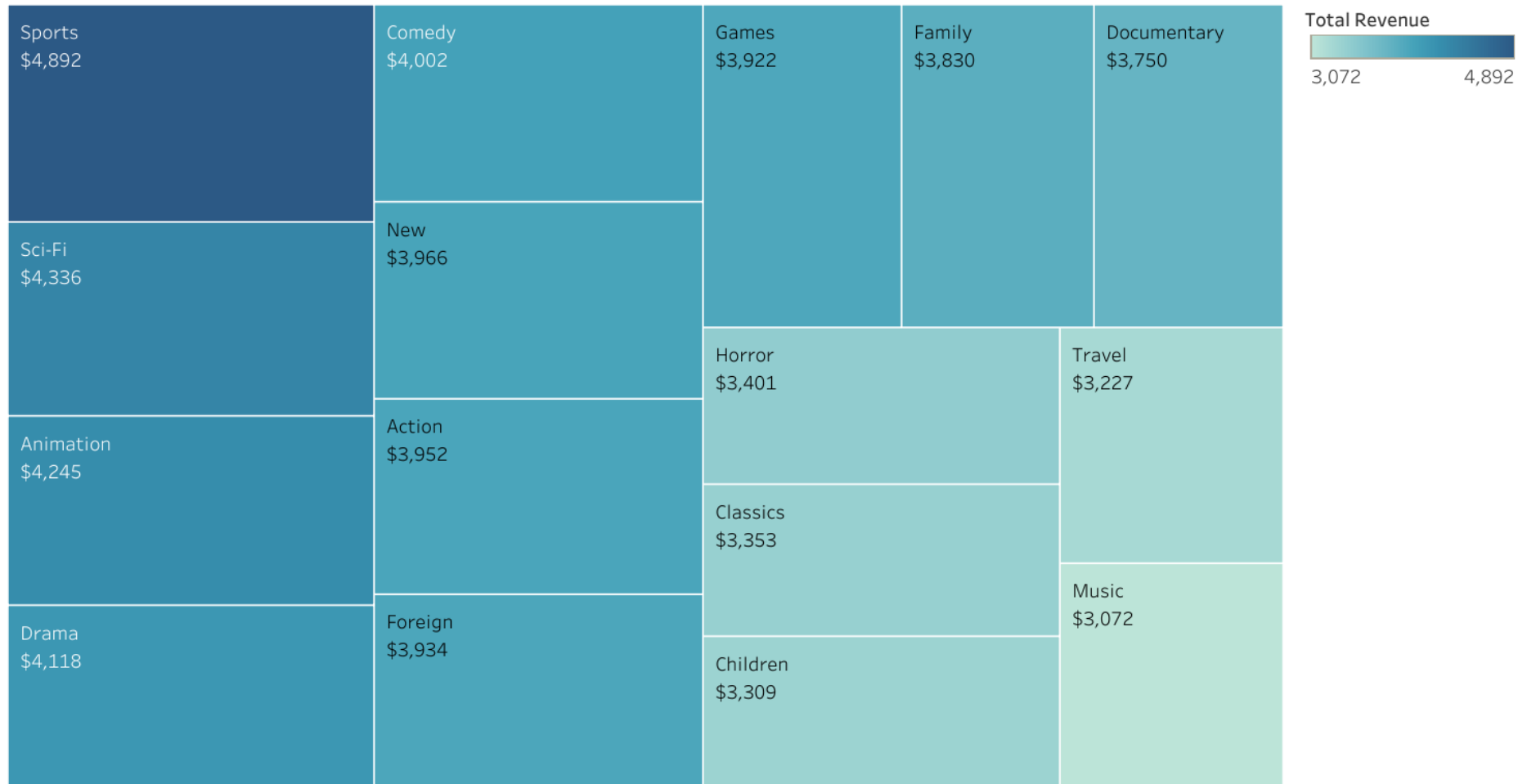
Statistical analysis again confirms the fact, to promote rentals with high rental rate by providing rewards and discounts to customers.

The rental revenue and rental rate has a moderately strong positive correlation of 0.61, meaning that the films with higher rental rates have generated higher revenue from Rockbuster customers.

RENTAL REVENUE BY CATEGORY

| Sports $4,892 | Comedy $4,002 | Games $3,922 | Family $3,830 | Documentary $3,750 |

Total Revenue
3,072 — 4,892

Sci-Fi $4,336	New $3,966			
Animation $4,245	Action $3,952	Horror $3,401	Travel $3,227
		Classics $3,353	Music $3,072
Drama $4,118	Foreign $3,934	Children $3,309	

The top five categories are:

Sports,

Sci-Fi,

Animation,

Drama,

Comedy.

RENTAL REVENUE BY RATING

PG-13 $13,856	PG $12,237	R $12,073

Total Revenue
10,512   13,856

NC-17 $12,635

G $10,512
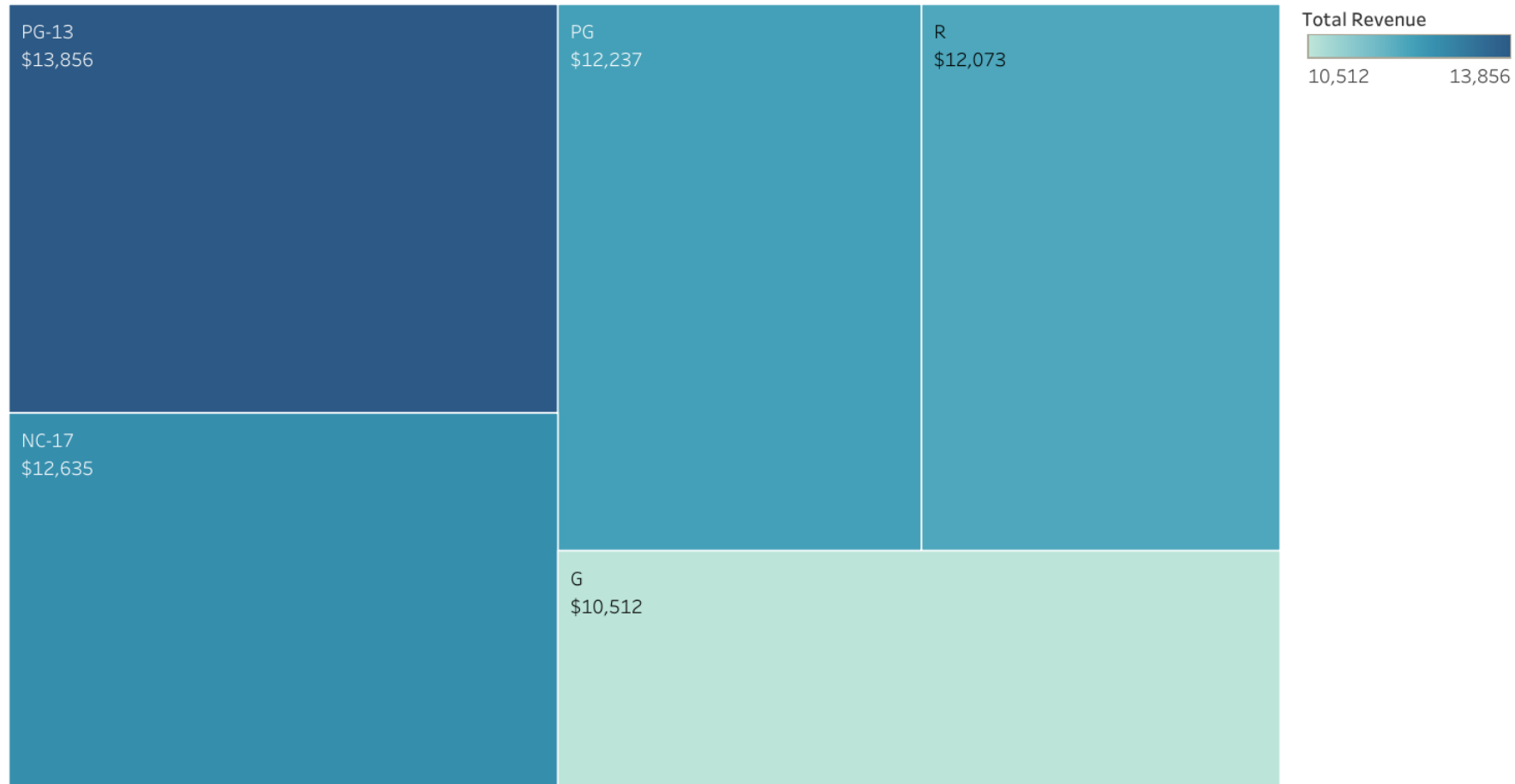
The winner for movie rating is:

PG-13.

There is no dramatic difference in revenue between the different ratings.

CUSTOMER BASE

CUSTOMER BASE

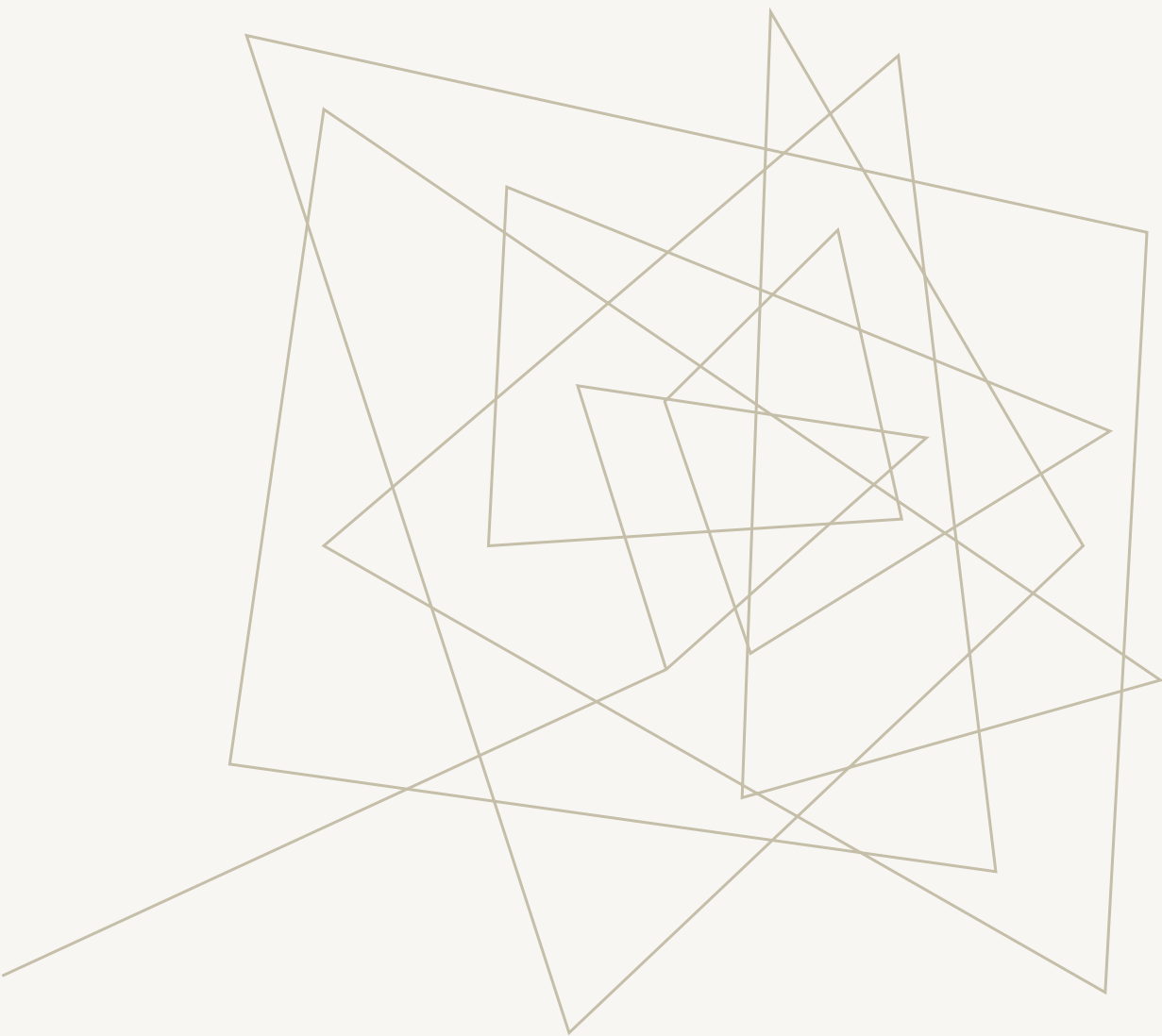

Number of customers
- 1
- 20
- 40
- 60

Total Revenue
48 — 6,035
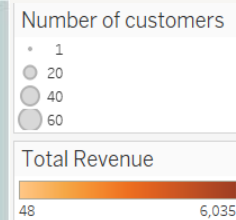
Top 10 countries by number of customers:

Country	Number of Customers	Total Revenue
India	60	6,035
China	53	5,251
United States	36	3,685
Japan	31	3,123
Mexico	30	2,985
Russian Federation	28	2,766
Brazil	28	2,919
Philippines	20	2,220
Turkey	15	1,498
Indonesia	14	1,353

India and China have the most customers and have yielded the most revenue.

Strong customer base in Asia

599 customers are based in 108 countries.

TOP CITIES AND CUSTOMERS

Top ten cities within the top ten countries

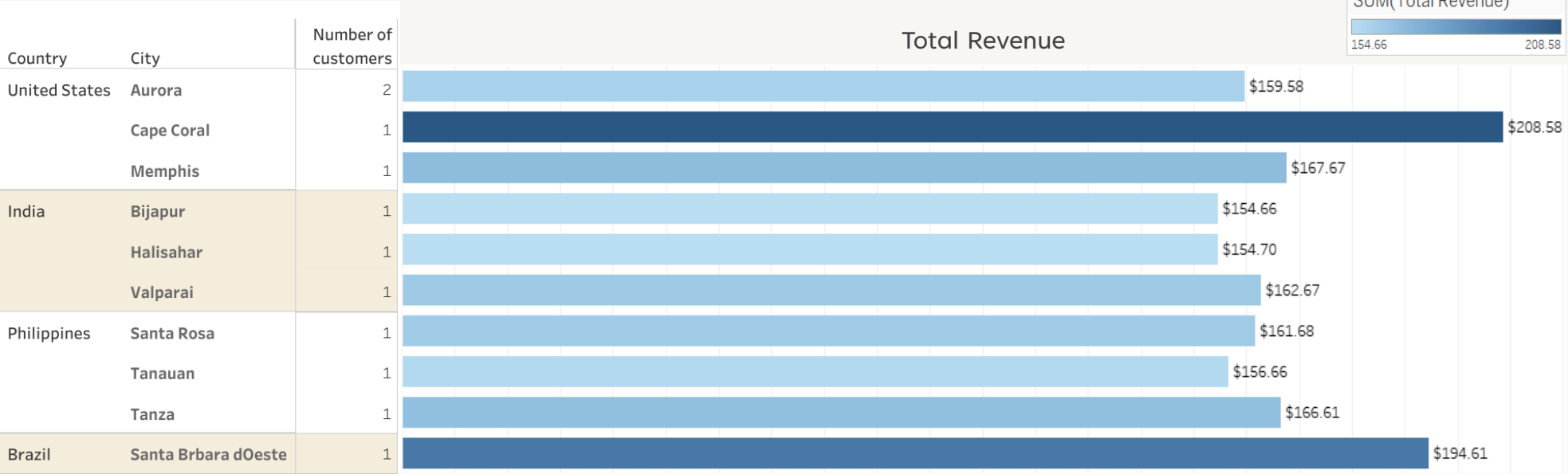| Country	City	Number of customers
United States	Aurora	2
	Cape Coral	1
	Memphis	1
India	Bijapur	1
	Halisahar	1
	Valparai	1
Philippines	Santa Rosa	1
	Tanauan	1
	Tanza	1
Brazil	Santa Brbara dOeste	1

SUM(Total Revenue)
154.66 — 208.58

Total Revenue

- Aurora: $159.58
- Cape Coral: $208.58
- Memphis: $167.67
- Bijapur: $154.66
- Halisahar: $154.70
- Valparai: $162.67
- Santa Rosa: $161.68
- Tanauan: $156.66
- Tanza: $166.61
- Santa Brbara dOeste: $194.61

Cape Coral is the city with highest revenue.

Customers are widely dispersed in different cities with mostly one customer per city except for Aurora in the United States.
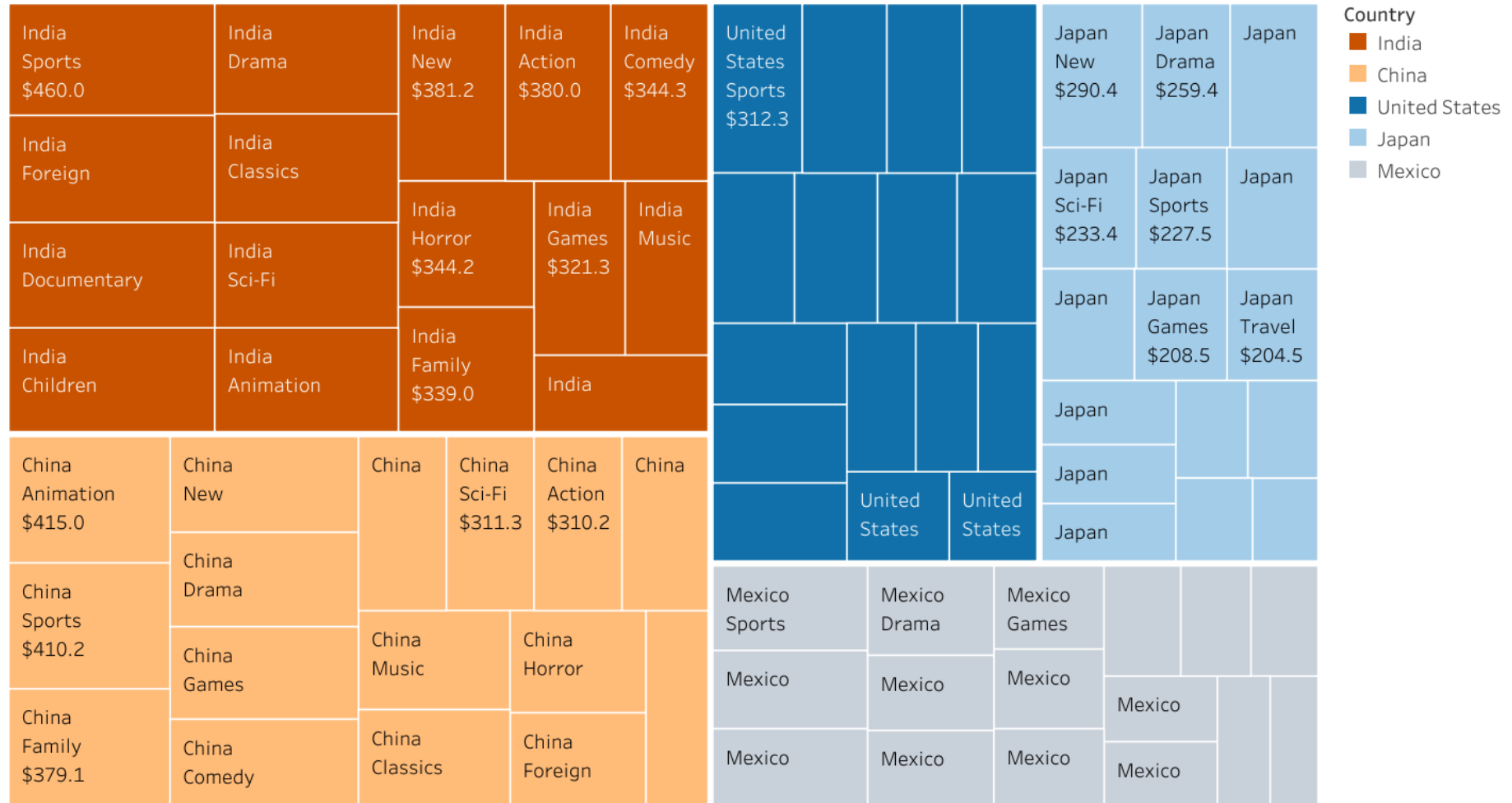
Top five customers within top ten cities

First Name	Last Name	Country	City	Total Revenue
Karl	Seal	United States	Cape Coral	$208.58
Marion	Snyder	Brazil	Santa Brbara ..	$194.61
Ana	Bradley	United States	Memphis	$167.67
Marcia	Dean	Philippines	Tanza	$166.61
Mike	Way	India	Valparai	$162.67

Karl seal from Cape Coral, United states is the top customer who has spent $208.58

There are two top customers from United States.

14

LEADING CATEGORIES IN TOP 5 COUNTRIES

Country
- India
- China
- United States
- Japan
- Mexico

India Sports $460.0 · India Drama · India New $381.2 · India Action $380.0 · India Comedy $344.3 · India Foreign · India Classics · India Horror $344.2 · India Games $321.3 · India Music · India Documentary · India Sci-Fi · India Children · India Animation · India Family $339.0 · India

China Animation $415.0 · China New · China · China Sci-Fi $311.3 · China Action $310.2 · China · China Drama · China Sports $410.2 · China Games · China Music · China Horror · China Family $379.1 · China Comedy · China Classics · China Foreign

United States Sports $312.3 · United States · United States

Japan New $290.4 · Japan Drama $259.4 · Japan · Japan Sci-Fi $233.4 · Japan Sports $227.5 · Japan · Japan · Japan Games $208.5 · Japan Travel $204.5 · Japan · Japan · Japan

Mexico Sports · Mexico Drama · Mexico Games · Mexico · Mexico · Mexico · Mexico · Mexico · Mexico · Mexico · Mexico

Leading category in India, United States and Mexico: **Sports**

Leading category in China: **Animation** followed by **Sports**

Leading category in Japan: **New, Sports seems to be in the top five though**

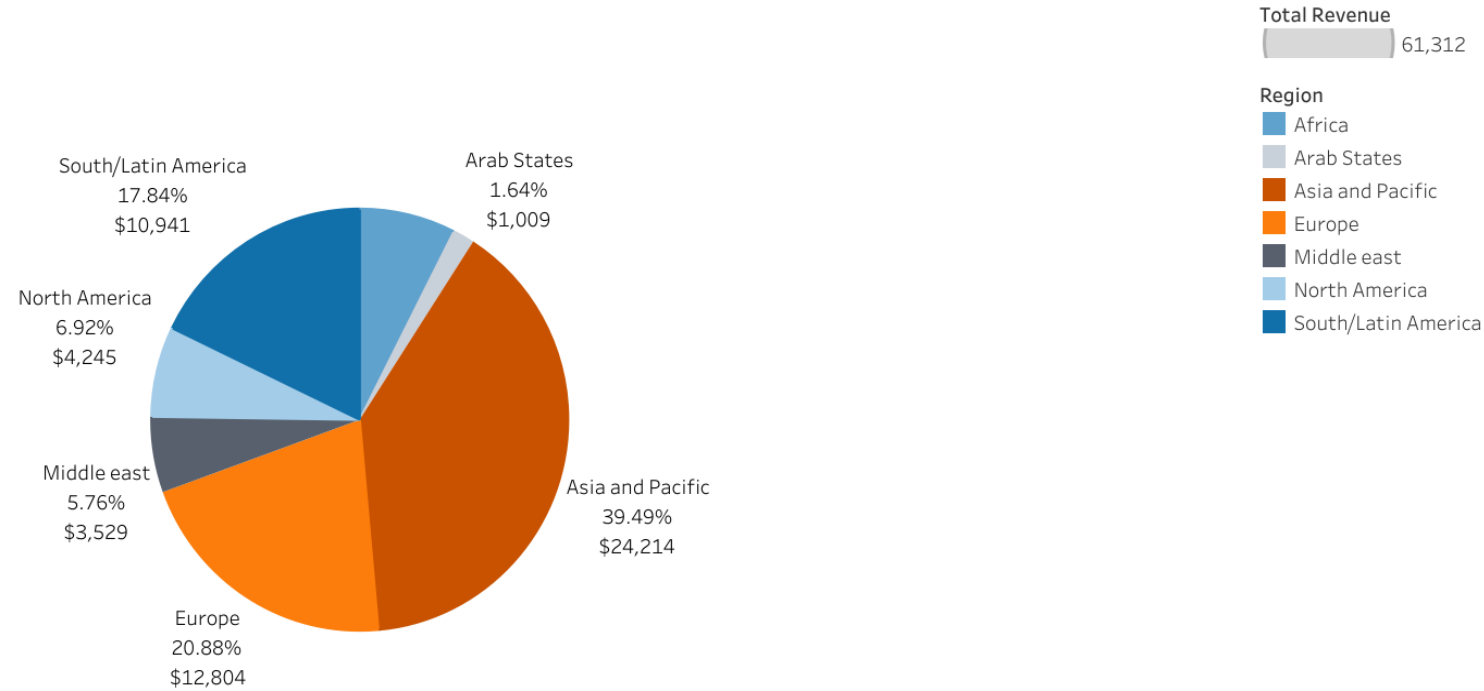Promote films from Sports category in the respective countries.

HIGH LIFETIME VALUE CUSTOMERS

Eleanor Hunt from Reunion is the highest lifetime value customer, followed by **Marion Snyder** from Brazil.

The top ten high lifetime value customers are spread out across all regions.

REGIONAL SALES TREND

Total Revenue
61,312

Region
- Africa
- Arab States
- Asia and Pacific
- Europe
- Middle east
- North America
- South/Latin America

South/Latin America
17.84%
$10,941

Arab States
1.64%
$1,009

North America
6.92%
$4,245

Middle east
5.76%
$3,529

Asia and Pacific
39.49%
$24,214

Europe
20.88%
$12,804

From the total revenue of $61,312, **Asia & Pacific region holds 39%** of the rental market for Rockbuster, followed by **Europe at 21%**.

KEY INSIGHTS

CUSTOMER BASE

Strong customer base in the Asian region(by number of customers), in India, China, Japan, Philippines and Indonesia. India and China yielded the most revenue as well.

REGIONAL SALES TREND

Regional sales led by Asia and Pacific region with 39% of revenue, followed by Europe at 21% and South/Latin America at 18%

FILM CATEGORIES & RATINGS

Leading categories: Sports, followed by Sci-fi, Animation, Drama and Comedy.

Leading ratings: PG-13, NC-17, PG

REVENUE FROM RENTAL RATE

Higher rental revenue from films of higher rental rate with $4.99 per film rental.

RECOMMENDATIONS

MARKETING

Implement marketing strategies in the countries with strong customer base and which yields top revenue like India, China, Japan, United States.

Provide rewards program for loyal customers in these top countries.

PRICE

Provide discounts for $4.99 film rentals when a customer rents films with lower rental rate.

Provide discounts and subscriptions for loyal customers.

INVENTORY

Increase inventory of PG_13, NC-17 and PG rated films.

Increase inventory for the Sports and Sci-fi categories. Also increase inventory for the leading categories of the top five countries.

Diversify the inventory by including non-English films. For example, Hindi films(India), Mandarin(China), Japanese(Japan) .

THANK YOU

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